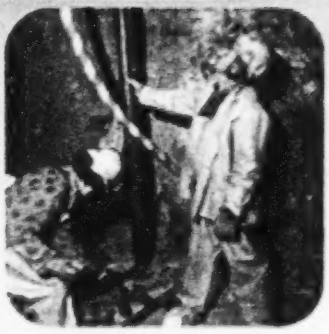

A Labour Market Framework for Yukon

Yukon
Government
Gouvernement

Message from the Minister

It is my pleasure to introduce the Labour Market Framework for Yukon.

During early 2008, the Advanced Education Branch led an interdepartmental planning process to prepare a framework which will help address Yukon's labour market development on a variety of fronts.

Yukon is currently experiencing a low unemployment rate and our economy is continuing to grow. This is very positive. However, the Yukon Bureau of Statistics' 2007 Business Survey found that almost one third of employers reported that they have job vacancies. It is critical that employers have access to qualified workers if the Yukon economy is to continue flourishing.

The Yukon Government invites its partners, including business, industry, First Nations and other employers, employees, unemployed persons, and the general public to contribute to the development and implementation of specific strategies to support Yukon's labour market. These strategies will include action plans that, once implemented by the parties, will ensure that Yukon is well-placed to respond to economic opportunities through 2019 and beyond.

Honourable Patrick Rouble
Minister of Education

For further information:

Shawn Kitchen, Director
Labour Market Programs & Services
(867) 667-5727

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Introduction

A vibrant economy requires a strong labour market. Attracting a range of workers from entry level to highly skilled occupations is critical to ensuring Yukon employers have the human resources required to meet the challenges of economic growth.

The intent of the Labour Market Framework for Yukon (the "Framework") is to identify what strategies need to be developed to help ensure Yukon has an inclusive and adaptable labour market that meets the demands of a strong, diversified economy. The Framework also articulates the vision, goals, and principles that will guide the development of these strategies.

The Framework begins by describing several challenges that will need to be addressed to ensure that the strategies are adaptable to changing circumstances and continually meet the needs of everyone affected by the labour market, including employers, employees, and the unemployed. For example, Yukon is experiencing significant changes in the labour market. This is the result of: a low unemployment rate and an already high participation rate, an aging workforce, increased economic activity in mining and other sectors, and increased competition for workers from neighbouring jurisdictions that also have low unemployment rates. These factors all contribute to the need to develop a strategic approach to labour market development for Yukon.

Further considerations for the development of the strategies are also described, including: addressing the specific needs of different business and industry sectors; working with First Nations; identifying the unique needs of both Whitehorse and rural Yukon communities; and ensuring basic needs (literacy and essential skills, transportation, and housing) are met.

The four pillars of labour market development are presented, which include:
1) training and development, 2) recruitment, 3) retention, and 4) labour market information. These four pillars form the basis for developing five new strategies:

1. A comprehensive skills and trades training strategy;
2. An immigration strategy;
3. A national recruitment strategy;
4. An employee retention strategy; and
5. A labour market information strategy.

Interdepartmental working groups will be established to oversee the development of these strategies, including seeking input from interested Yukon stakeholders. The strategies are anticipated to be completed in 2009 and guide Yukon labour market activities for the next ten years. Action Plans will be developed in conjunction with the strategies and will highlight the actions that need to take place to help ensure Yukon has an inclusive and adaptable labour market.

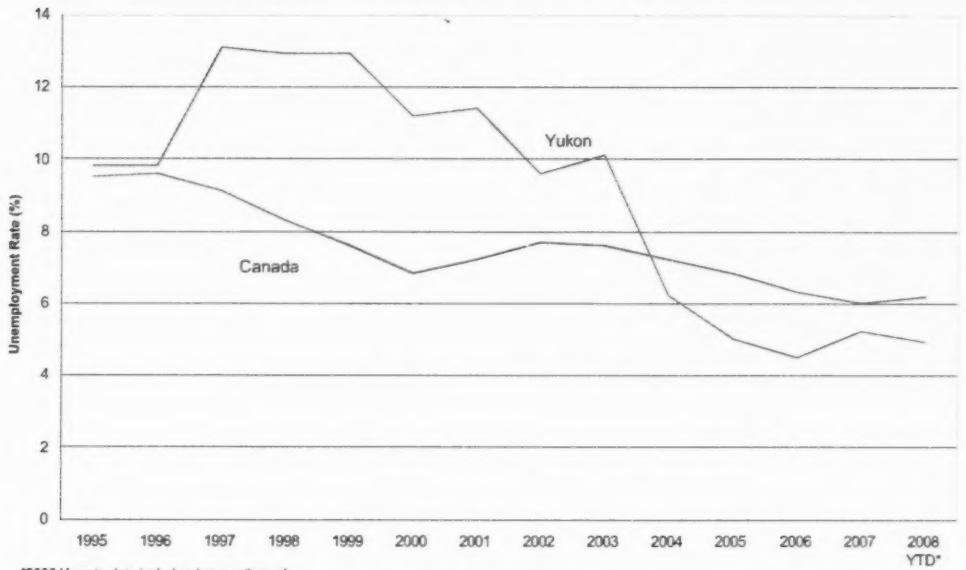
Rationale for Developing a Labour Market Framework for Yukon

BACKGROUND

In past years, many initiatives have been introduced to support the labour market; several of these are ongoing. While many of these programs or projects have been very successful, in other cases, they have been sporadic and specific to organizational mandates, or need to be updated to reflect current economic realities. A more strategic and collaborative approach to address the myriad of needs of employers and individuals is necessary.

The *Yukon Training Strategy* (Yukon Government, 1998) is one example of an existing Yukon Government strategy that has guided labour force development since 1998. Yet, it was last updated when the unemployment rate was 12.9%. In June 2008, Yukon's unemployment rate was 5.0% (Yukon Government, *Monthly Statistical Review*, June 2008). The chart below illustrates the decline in the unemployment rate from 1995 to 2008.

Unemployment Rates, Canada and Yukon, 1995 to 2008 (Year-to-date*)



*2008 Year-to-date includes January through

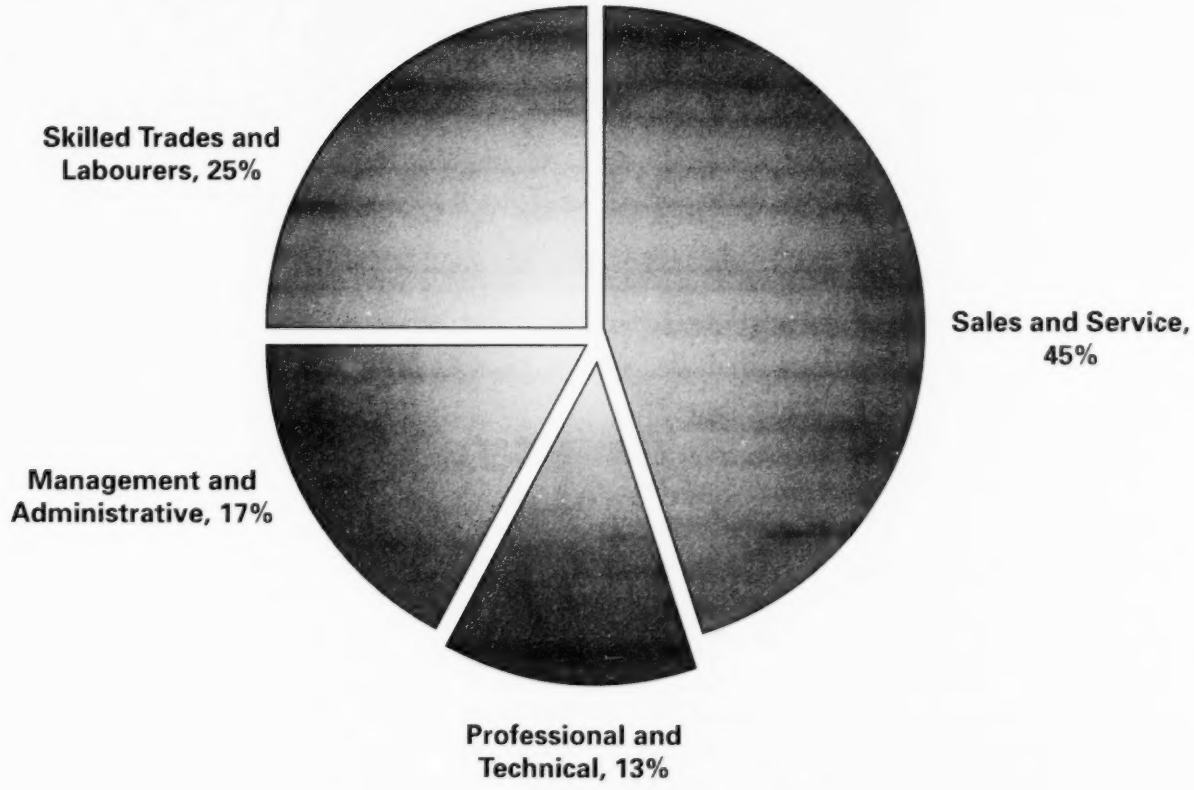
Source: *Statistics Canada CANSIM Table 282-0002 and Labour Force CDs Table 01an*

CHALLENGES

There are several challenges facing Yukon's labour market, which are summarized below.

Private Sector Staff Recruitment - Between 2006 and 2007 the Yukon Bureau of Statistics recorded that the percentage of businesses with job vacancies had risen sharply, from 18% of firms to almost a third. Firms reported 742 vacancies (Yukon non-home-based firms n=1,189) in 2007. As described in the chart below, the highest demand was in the Sales and Service area with 45%; Skilled Trades and Labourers came second at 25%; Management and Administrative staff came third at 17%; while Professional and Technical positions accounted for 13% of vacancies (Yukon Government, *Annual Business Survey*, 2007). This does not include job vacancies in government. Government positions in the Yukon (Federal, Territorial and Municipal) represented 5,914 jobs or about 35% of the total employment in March of 2008.

Vacancies In Non-Home-Based Businesses



Source: Yukon Business Survey, 2007

Increased competition for workers - In June, 2008 Canada's unemployment rate was 6.2% while Yukon's unemployment rate was 5.0%. The western provinces all had unemployment rates below 5.0% ranging from 3.3% in Alberta to 4.5% in British Columbia. (Yukon Government, *Monthly Statistical Review*, June 2008). This western regional demand for workers has created fierce competition amongst these jurisdictions as they try to encourage Canadians and immigrants to relocate in the west to address local employment needs.

Most jurisdictions across Canada have developed strategies to address the issue. For example, British Columbia has recently invested over $50 million in programming to address labour shortages. Manitoba has a targeted foreign worker recruitment campaign that sees the Provincial Nominee target increased from 200 to 2,700 nominees in 2007 with a view to attracting 20,000 immigrants in total by 2016. (The Nominee program allows provinces and territories to work with employers to nominate individuals from other countries to come to Canada for an identified employment opportunity. Under this program, approved foreign workers are fast-tracked to immigrate to Canada on a permanent basis.)

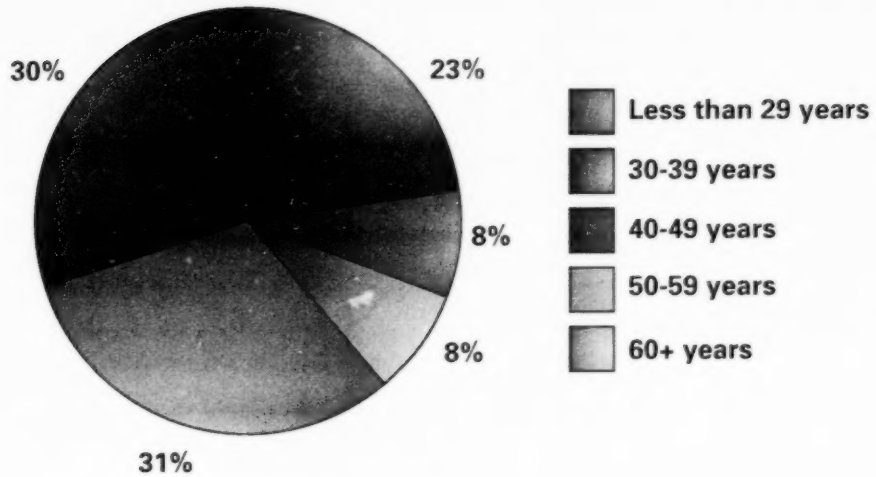
Nova Scotia has set aside $3.5 million in new financial support specifically for the attraction and settlement of new immigrants; the province has targeted 3,000 new immigrants for attraction and recruitment and 2,800 new immigrants for integration and retention. Job fairs, both nationally and internationally, to attract needed employees have become standard practice for these jurisdictions.

Unique needs of each business and industry sector in Yukon – Each business and industry sector in Yukon faces unique labour market challenges. For example, Yukon Government's Energy, Mines and Resources Department anticipates up to 14 operational mines in Yukon over the next 10 years. This could equate to needing over 14,000 employees to construct these mines and 7,700 employees for operations. The Tourism sector, on the other hand, experiences labour shortages in a different context: some jobs are seasonal in nature, are in remote locations, or require a second language, all of which present challenges.

As a result of the divergent labour market needs of different sectors, inclusive of Mining, Tourism, Oil and Gas, Forest Resources, Economic & Infrastructure, Construction, Retail and Wholesale Sales, Health, and Film and Sound, sector-specific solutions need to be developed.

Public sector - The needs within the public sector mirror those across other Yukon economic sectors. Within the Yukon Government, for example, 38.9% of its workforce is over 50 years of age (Yukon Government, *Staff Development Quarterly*, Summer 2008). The ramification of this demographic is that within 10-15 years, the Yukon Government will be in the position of replacing close to 40% of its workforce in a climate of national and global competition for workers. The need to replace workers will occur at all levels within the public service from front-line workers to administrators. The chart on page 5 shows a breakdown of ages of the Yukon Government's workforce.

2007 Age Demographics
Yukon Government Workforce



Yukon Government, *Staff Development Quarterly,* Summer 2008

Labour Market Information - While some Labour Market Information exists, there is generally a lack of adequate Labour Market Information for employers, policy makers, and individuals, to effectively make decisions. Moreover, the information is often not collected in a coordinated manner, or there is a need for information to be updated. A more comprehensive approach to gathering, reviewing and distributing effective Labour Market Information needs to be given more attention.

WHY SHOULD THE YUKON GOVERNMENT ACT?

The impact that the challenges highlighted above are having on the Yukon economy has led the Yukon Government to identify the need to develop a new approach to address labour market needs. Updating and building upon existing strategies, such as the *Yukon Training Strategy* (Yukon Government, 1998), and creating new strategies to meet the needs for labour market information, immigration, recruitment and retention require an effective, coordinated approach that will be adaptable to changing realities...a framework. This approach will not only involve the Yukon Government, but all labour market stakeholders in Yukon.

Wanting to respond pro-actively to the identified labour market challenges above, the Yukon Government struck an inter-departmental steering committee, the Labour Market Framework Steering Committee, to develop this Labour Market Framework for Yukon. The inter-departmental steering committee drafted this document.

WHO IS THE FRAMEWORK FOR?

The Framework is for all labour market stakeholders in Yukon: business, industry, all levels of government, non-government organizations, employees, and the unemployed, and the under-represented in the workforce: First Nations peoples, persons with disabilities, older workers, youth, women (in trades), and social assistance recipients. For labour market challenges to be addressed effectively today and into the future, all of these stakeholder groups need to work together.

The Yukon Government will play a coordinating role, by helping to develop strategies with the stakeholders to address labour market challenges. The Yukon Government will also continue to support and enhance labour market programs. Partnerships between Yukon's labour market stakeholders and the Yukon Government will be critical to ensuring the effective implementation of strategies to address labour market issues.

Vision, Goals and Principles

Vision

An inclusive and adaptable labour market that meets the demands of a strong, diversified economy and provides opportunity for a better quality of life for Yukoners.

Goals

The goals identified below will all contribute to meeting the vision for the Labour Market Framework outlined above, which reflects the Yukon Party's 2006 election platform commitment, "Building Yukon's Future Together – A Clear Vision for a Bright Future." Each strategy that is developed will have its own goals and objectives with action plans that will be results-based.

- Develop an effective Comprehensive Skills and Trades Training Strategy;
- Develop an effective Immigration Strategy;
- Develop an effective National Recruitment Strategy;
- Develop an effective Employee Retention Strategy;
- Develop an effective Labour Market Information Strategy;
- Ensure alignment of all labour market strategies.

Principles

A Framework that:

- is adaptable: responds to changes in the economy through innovation and flexibility;
- is inclusive: embodies an holistic approach that considers the interests of individuals, workers, and employers;
- builds on strengths and successes: recognizes the positive activities already underway in Yukon to attract, retain, educate and train people for the labour market, while remaining open to new ideas;
- focuses on accountability for results; and
- emphasizes partnerships.

The Four Pillars of Labour Market Development

The Whitehorse Chamber of Commerce's, *Labour Market Initiative for the Yukon* (Corley, 2007), report highlights four key pillars to focus discussions on labour market development:

1. Training and Development – promote and support life-long learning and the expansion of training opportunities for all Yukoners,

2. Recruitment – encourage the inclusion of all interested Yukoners in the labour market and attract more workers nationally and internationally to Yukon,

3. Retention – identify, promote and support initiatives to address labour retention making Yukon an attractive and welcoming place to live and work,

4. Labour Market Information – identify and promote accessibility of labour market information useful for the development of public policy, education and training programs, business planning, and personal career decision making.

These four pillars identify key labour market areas that need to be addressed to ensure that employers are able to find and attract qualified workers.

The Steering Committee agreed that these are all essential and applicable to the development of Yukon's labour market. As such, the Steering Committee adopted these four main pillars and used them to develop this Framework.

On page 10 a diagram shows the relationship between the pillars described above and the five strategies to be developed under this Framework.

Labour Market Strategies

New and updated strategies are proposed to implement the activities under the framework. Interdepartmental working groups, potentially with the assistance of contractors, will seek input from key stakeholders both internal and external to the Yukon Government. Each strategy will include a vision, goals and objectives, as well as an action plan that will identify specific initiatives to be implemented.

1) **Comprehensive Skills and Trades Training Strategy (CSTTS)**

The existing *Yukon Training Strategy* is ten years old. The *Strategy* needs to be renewed to ensure effective training initiatives are provided to meet current labour market needs and to foster economic growth.

2) **Immigration Strategy**

One of the most significant potential labour pools is international labour. Yukon is behind other jurisdictions in accessing this labour pool. An immigration strategy will address issues such as international worker recruitment, immigration, demographic growth in Yukon (in the context of a national declining birthrate), and retention and settlement services for immigrants.

3) **National Recruitment Strategy**

A marketing scheme and specific recommended initiatives will be developed to encourage potential employees from other jurisdictions in Canada to relocate to Yukon to live and work.

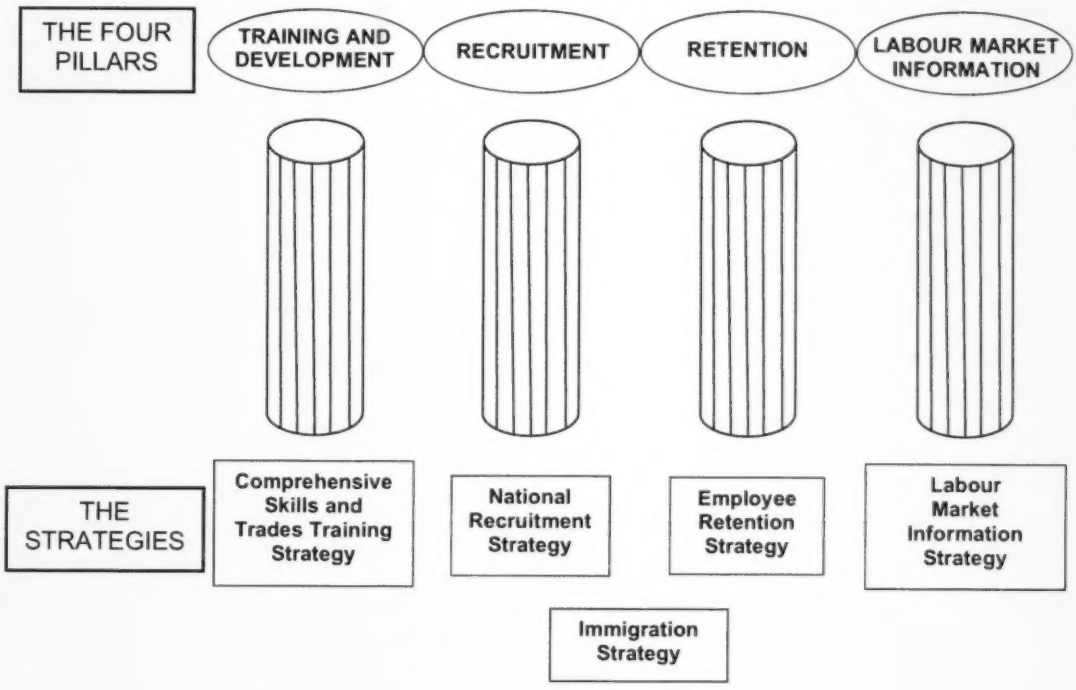
4) **Employee Retention Strategy**

A retention strategy will develop initiatives that will assist employers to retain their current workforce by researching other national programs and adopting the best practices from other jurisdictions.

5) **Labour Market Information Strategy**

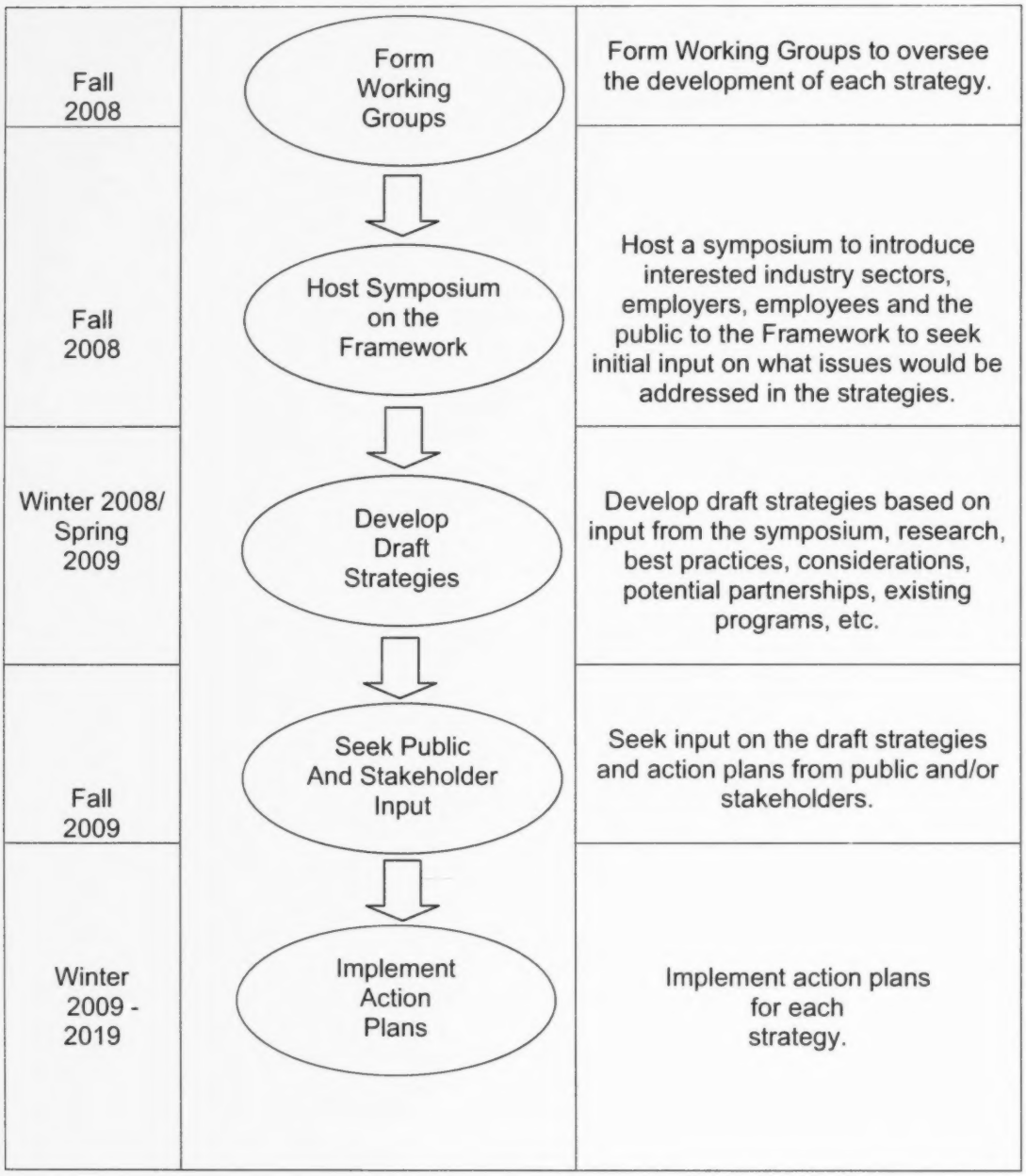
The enhancement of effective Labour Market Information (LMI) would feed into the development of all of the strategies; existing data must be updated and disaggregated to reflect strategic sectors of the economy better. Data collection for LMI must be ongoing and the results effectively disseminated to interested stakeholders.

The Relationship Amongst the Four Pillars and the Strategies



The diagram above shows the linkages between the four pillars and the Framework Strategies. The Immigration Strategy overlaps two pillars – recruitment and retention.

Next Steps


Fall 2008
Form Working Groups
Form Working Groups to oversee the development of each strategy.
Fall 2008
Host Symposium on the Framework
Host a symposium to introduce interested industry sectors, employers, employees and the public to the Framework to seek initial input on what issues would be addressed in the strategies.
Winter 2008/ Spring 2009
Develop Draft Strategies
Develop draft strategies based on input from the symposium, research, best practices, considerations, potential partnerships, existing programs, etc.
Fall 2009
Seek Public And Stakeholder Input
Seek input on the draft strategies and action plans from public and/or stakeholders.
Winter 2009 - 2019
Implement Action Plans
Implement action plans for each strategy.

Important Considerations

The following considerations are highlighted in the Framework because they will be critical in the development of the strategies and in ensuring successful implementation of action items. These considerations are not ranked in any order of priority, and additional considerations, if identified, may be added during the development of the strategies.

Working with First Nations

To assist First Nations to participate more fully in Yukon's labour market and implement their Self Government Agreements, the Yukon Government is committed to partnering with First Nations to ensure effective labour market initiatives are in place. Strategic partnerships will continue and expand upon existing programs.

Accurate monthly statistics on First Nation unemployment rates are not available. Statistics Canada's monthly Labour Force Survey (LFS) provides annual reporting on Yukon's Aboriginal labour force. In 2007, aboriginal people represented 23.4% of the labour force, up from 21.7% in 2001. Based on the age group 15+ this means that some 5,200 Aboriginal people were eligible to be part of the LFS. Of this number, 3,000 were in the labour force with 2,600 being employed. However, 2,200 people were not actively employed or looking for work. As such, the Aboriginal participation rate was only 57.7% almost 20% lower than Yukon's rate.

It is important to identify and address the underlying issues associated with low participation rates. Working together with First Nations to identify these gaps and towards maximizing training and employment opportunities for First Nation peoples is critical.

Literacy and Essential Skills

Literacy and Essential Skills continue to provide a foundational piece to supporting labour force participation. Without the basic skills in reading, writing, numeracy, document use, oral communication, working with others, continuous learning, thinking skills and computer use it is difficult to take full advantage of training or employment opportunities. Building literacy and essential skills for success in the workplace into the strategies is imperative.

Whitehorse Compared to Rural Yukon Communities

There are many differences in the needs of employers and employees between Whitehorse and rural Yukon Communities. For example, there is a greater variety of training opportunities for Whitehorse residents compared to rural Yukoners; it is also costly for rural residents to travel or relocate in Whitehorse for training or education purposes. Generally, there are more employment opportunities in the Whitehorse area, while in rural communities many opportunities are seasonal in nature.

Targeted Programming

While the Framework is meant to address the needs of all Yukoners, special attention needs to be paid to specific target groups which are currently under-represented in the workforce: First Nations peoples, persons with disabilities, older workers, youth, women (in trades) and social assistance recipients. Special consideration needs to be given to members from these groups who, at times, may have multiple barriers and require additional supports to enable their participation in Yukon's labour market.

Adaptability to Changing Needs

Because Yukon is a small jurisdiction, changes in the labour market have a disproportionate effect on the overall economy. The effects of the start of a new company or industry, the closure of a long-term business, or a large scale event such as the 2007 Canada Winter Games present significant challenges. The need to develop a framework which is adaptable to changing economic conditions, both positive and negative, is required.

Other Employment Supports

Availability of labour market supports in Yukon such as transportation, housing, daycare, land, immigration support services, and others, vary. Successful recruitment and retention of workers depend on these basic elements so more in depth consideration of these and potentially other needs must be included in the development of the five strategies.

Conclusion

In the coming months, the five strategies that will consider the needs of Yukon's labour market will be developed. The next major step will be to organize a symposium for federal, territorial, First Nation and municipal governments; industry sectors; employers; employees and other interested Yukoners to provide feedback on the Framework and input into the individual strategies. As each strategy is developed, different partners will be engaged at different levels due to the unique intent of each strategy.

Each strategy will identify new, and build upon existing successful programs, where appropriate. The strategies will include action plans that identify short, medium and long-term activities to guide Yukon's labour market activities for the next ten years. Only through the concerted efforts of partnerships among all labour market stakeholders will Yukoners be able to effectively address labour market challenges now and into the future.

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